



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2006
OF THE CONDITION AND AFFAIRS OF THE

M-CARE

NAIC Group Code 0572 3414 NAIC Company Code 95449 Employer's ID Number 38-2649504
(Current) (Prior)

Organized under the Laws of Michigan, State of Domicile or Port of Entry Michigan

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 02/13/1986 Commenced Business 10/28/1986

Statutory Home Office 2301 Commonwealth Blvd. Ann Arbor, MI 48105
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 2301 Commonwealth Blvd.
(Street and Number)
Ann Arbor, MI 48105 734-747-8700
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 2301 Commonwealth Blvd. Ann Arbor, MI 48105
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 2301 Commonwealth Blvd.
(Street and Number)
Ann Arbor, MI 48105 734-747-8700
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.mcare.org

Statutory Statement Contact Joseph John Andraska 248-455-3428
(Name) (Area Code) (Telephone Number)
jandraska@bcbsm.com 248-455-3639
(E-mail Address) (FAX Number)

Policyowner Relations Contact 2301 Commonwealth Blvd.
(Street and Number)
Ann Arbor, MI 48105 734-913-2211
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

OFFICERS

President Zelda Geyer-Sylvia Chief Financial Officer Gregory Alan Hawkins
Secretary/Treasurer Douglas Lloyd Strong

OTHER

DIRECTORS OR TRUSTEES

<u>James Robert Dietz</u>	<u>Zelda Geyer-Sylvia</u>	<u>Sally Joy</u>
<u>Robert Paul Kelch M.D.</u>	<u>Jean Marie Malouin M.D.</u>	<u>Sally Ann York</u>
<u>Timothy Paul Slottow</u>	<u>Douglas Lloyd Strong</u>	<u>Theresa Marie Wherrett</u>
<u>James Owen Woolliscroft M.D.</u>	<u>Darrell Arthur Campbell M.D.</u>	

State of Michigan SS:
County of Oakland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Jeanne Helen Carlson
President & CEO

Julie Concetta Swantek
Secretary

Susan Anne Kluge
CFO & Treasurer

Subscribed and sworn to before me this _____ day of _____

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0299999. Aggregate accounts not individually listed- uncovered						0
0399999. Aggregate accounts not individually listed-covered	12,812,226	2,213,342	835,579	391,383	466,555	16,719,085
0499999. Subtotals	12,812,226	2,213,342	835,579	391,383	466,555	16,719,085
0599999. Unreported claims and other claim reserves						17,080,567
0699999. Total amounts withheld						
0799999. Total claims unpaid						33,799,652
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0899999 Accrued medical incentive pool and bonus amounts						15,564,268

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
NONE							
0399999 Total gross amounts receivable							

EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	218,423,606	54.2	85,289	52.1	218,423,606	0
2. Intermediaries	0	0.0		0.0		
3. All other providers	0	0.0		0.0		
4. Total capitation payments	218,423,606	54.2	85,289	52.1	218,423,606	0
Other Payments:						
5. Fee-for-service	12,205,945	3.0	XXX	XXX		12,205,945
6. Contractual fee payments	125,193,257	31.0	XXX	XXX	125,193,257	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	47,384,726	11.8	XXX	XXX	47,384,726	
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	184,783,928	45.8	XXX	XXX	172,577,983	12,205,945
13. TOTAL (Line 4 plus Line 12)	403,207,534	100%	XXX	XXX	391,001,589	12,205,945

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
NONE					
9999999 Totals			XXX	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value Less Encumbrances	5 Assets Not Admitted	6 Net Admitted Assets
1. Administrative furniture and equipment	2,336,526	0	2,207,710	128,816	128,816	0
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment		1,694,984	1,292,185	402,799	402,799	0
6. Total	2,336,526	1,694,984	3,499,895	531,615	531,615	0



ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

M-CARE

2.

NAIC Group Code	0572		BUSINESS IN THE STATE OF Michigan		DURING THE YEAR 2006								(LOCATION)		
	1		2		3	4	5	6	7	8	9	10	11	12	13
	Total	Individual	Group	Comprehensive (Hospital & Medical)	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other	
Total Members at end of:															
1. Prior Year	180,882	333	172,745				7,804								
2. First Quarter	169,682	319	161,730				7,633								
3. Second Quarter	164,922	436	156,870				7,616								
4. Third Quarter	164,810	456	156,756				7,598								
5. Current Year	163,701	424	155,724				7,553								
6. Current Year Member Months	2,003,495	5,189	1,905,867				92,439								
Total Member Ambulatory Encounters for Year:															
7. Physician	735,048	1,904	699,230				33,914								
8. Non-Physician	560,463	1,452	533,152				25,859								
9. Total	1,295,511	3,356	1,232,382	0	0	0	59,773	0	0	0	0	0	0	0	
10. Hospital Patient Days Incurred	35,675	92	33,937				1,646								
11. Number of Inpatient Admissions	9,600	25	9,132				443								
12. Health Premiums Written	467,807,140	1,206,480	443,108,354				23,492,306								
13. Life Premiums Direct	0														
14. Property/Casualty Premiums Written	0														
15. Health Premiums Earned	467,758,372	1,206,480	443,108,354				23,443,538								
16. Property/Casualty Premiums Earned	0														
17. Amount Paid for Provision of Health Care Services	403,207,534	1,034,703	379,957,648				22,215,183								
18. Amount Incurred for Provision of Health Care Services	406,719,131	1,037,856	381,115,843				24,565,432								

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

2.

NAIC Group Code	BUSINESS IN THE STATE OF			DURING THE YEAR									(LOCATION)		
	1 Total	Grand Total		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	NAIC Company Code				
		2 Individual	3 Group								11 Disability Income	12 Long-Term Care	13 Other		
Total Members at end of:															
1. Prior Year	180,882	333	172,745	0	0	0	7,804	0	0	0	0	0	0	0	
2. First Quarter	169,682	319	161,730	0	0	0	7,633	0	0	0	0	0	0	0	
3. Second Quarter	164,922	436	156,870	0	0	0	7,616	0	0	0	0	0	0	0	
4. Third Quarter	164,810	456	156,756	0	0	0	7,598	0	0	0	0	0	0	0	
5. Current Year	163,701	424	155,724	0	0	0	7,553	0	0	0	0	0	0	0	
6. Current Year Member Months	2,003,495	5,189	1,905,867	0	0	0	92,439	0	0	0	0	0	0	0	
Total Member Ambulatory Encounters for Year:															
7. Physician	735,048	1,904	699,230	0	0	0	33,914	0	0	0	0	0	0	0	
8. Non-Physician	560,463	1,452	533,152	0	0	0	25,859	0	0	0	0	0	0	0	
9. Total	1,295,511	3,356	1,232,382	0	0	0	59,773	0	0	0	0	0	0	0	
10. Hospital Patient Days Incurred	35,675	92	33,937	0	0	0	1,646	0	0	0	0	0	0	0	
11. Number of Inpatient Admissions	9,600	25	9,132	0	0	0	443	0	0	0	0	0	0	0	
12. Health Premiums Written	467,807,140	1,206,480	443,108,354	0	0	0	23,492,306	0	0	0	0	0	0	0	
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15. Health Premiums Earned.....	467,758,372	1,206,480	443,108,354	0	0	0	23,443,538	0	0	0	0	0	0	0	
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17. Amount Paid for Provision of Health Care Services.....	403,207,534	1,034,703	379,957,648	0	0	0	22,215,183	0	0	0	0	0	0	0	
18. Amount Incurred for Provision of Health Care Services	406,719,131	1,037,856	381,115,843	0	0	0	24,565,432	0	0	0	0	0	0	0	

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE
SCHEDULE A - VERIFICATION BETWEEN YEARS
 Real Estate

1.	Book/adjusted carrying value, December 31, prior year	
2.	Increase (decrease) by adjustment:	
	2.1 Totals, Part 1, Column 11	
	2.2 Totals, Part 3, Column 7	
3.	Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	
4.	Cost of additions and permanent improvements:	
	4.1 Totals, Part 1, Column 14	
	4.2 Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	
6.	Increase (decrease) by foreign exchange adjustment:	
	6.1 Totals, Part 1, Column 12	
	6.2 Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	
8.	Book/adjusted carrying value at end of current period	
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	

NONE

SCHEDULE B - VERIFICATION BETWEEN YEARS
 Mortgage Loans

1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year	
2.	Amount loaned during year:	
	2.1. Actual cost at time of acquisitions	
	2.2. Additional investment made after acquisitions	
3.	Accrual of discount and mortgage interest points and commitment fees	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	
12.	Total nonadmitted amounts	
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS
 Long-Term Invested Assets

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	2,036,712
2.	Cost of acquisitions during year:	
	2.1. Actual cost at time of acquisitions	
	2.2. Additional investment made after acquisitions	0
3.	Accrual of discount	
4.	Increase (decrease) by adjustment	(162,784)
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	0
9.	Book/adjusted carrying value of long-term invested assets at end of current period	1,873,928
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	1,873,928
12.	Total nonadmitted amounts	
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	1,873,928

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments , Schedules D & DA (Group 1)											
1.1 Class 1	131,831,545	1,180,040				133,011,585	100.0	40,707,460	59.8	133,011,585	0
1.2 Class 2						0	0.0	0	0.0		0
1.3 Class 3						0	0.0	0	0.0		0
1.4 Class 4						0	0.0	0	0.0		0
1.5 Class 5						0	0.0	0	0.0		0
1.6 Class 6						0	0.0	0	0.0		0
1.7 Totals	131,831,545	1,180,040	0	0	0	133,011,585	100.0	40,707,460	59.8	133,011,585	0
2. All Other Governments , Schedules D & DA (Group 2)											
2.1 Class 1						0	0.0	0	0.0		0
2.2 Class 2						0	0.0	0	0.0		0
2.3 Class 3						0	0.0	0	0.0		0
2.4 Class 4						0	0.0	0	0.0		0
2.5 Class 5						0	0.0	0	0.0		0
2.6 Class 6						0	0.0	0	0.0		0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1						0	0.0	0	0.0		0
3.2 Class 2						0	0.0	0	0.0		0
3.3 Class 3						0	0.0	0	0.0		0
3.4 Class 4						0	0.0	0	0.0		0
3.5 Class 5						0	0.0	0	0.0		0
3.6 Class 6						0	0.0	0	0.0		0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions , Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1						0	0.0	0	0.0		0
4.2 Class 2						0	0.0	0	0.0		0
4.3 Class 3						0	0.0	0	0.0		0
4.4 Class 4						0	0.0	0	0.0		0
4.5 Class 5						0	0.0	0	0.0		0
4.6 Class 6						0	0.0	0	0.0		0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1						0	0.0	0	0.0		0
5.2 Class 2						0	0.0	0	0.0		0
5.3 Class 3						0	0.0	0	0.0		0
5.4 Class 4						0	0.0	0	0.0		0
5.5 Class 5						0	0.0	0	0.0		0
5.6 Class 6						0	0.0	0	0.0		0
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1						0	0.0	2,611,149	3.8		0
6.2 Class 2						0	0.0	1,657,816	2.4		0
6.3 Class 3						0	0.0	0	0.0		0
6.4 Class 4						0	0.0	0	0.0		0
6.5 Class 5						0	0.0	0	0.0		0
6.6 Class 6						0	0.0	0	0.0		0
6.7 Totals	0	0	0	0	0	0	0.0	4,268,965	6.3	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1						0	0.0	18,494,310	27.1		0
7.2 Class 2						0	0.0	4,652,101	6.8		0
7.3 Class 3						0	0.0	0	0.0		0
7.4 Class 4						0	0.0	0	0.0		0
7.5 Class 5						0	0.0	0	0.0		0
7.6 Class 6						0	0.0	0	0.0		0
7.7 Totals	0	0	0	0	0	0	0.0	23,146,411	34.0	0	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1						0	0.0	0	0.0		0
8.2 Class 2						0	0.0	0	0.0		0
8.3 Class 3						0	0.0	0	0.0		0
8.4 Class 4						0	0.0	0	0.0		0
8.5 Class 5						0	0.0	0	0.0		0
8.6 Class 6						0	0.0	0	0.0		0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1						0	0.0	0	0.0		0
9.2 Class 2						0	0.0	0	0.0		0
9.3 Class 3						0	0.0	0	0.0		0
9.4 Class 4						0	0.0	0	0.0		0
9.5 Class 5						0	0.0	0	0.0		0
9.6 Class 6						0	0.0	0	0.0		0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE
SCHEDULE D - PART 1A - SECTION 1 (continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	131,831,545	1,180,040	0	0	0	133,011,585	100.0	XXX	XXX	133,011,585	0
10.2 Class 2	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.3 Class 3	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Class 4	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.5 Class 5	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.6 Class 6	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.7 Totals	131,831,545	1,180,040	0	0	0	(b) 133,011,585	100.0	XXX	XXX	133,011,585	0
10.8 Line 10.7 as a % of Col. 6	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1	60,669,195	1,143,724	0	0	0	XXX	XXX	61,812,919	90.7	61,812,918	1
11.2 Class 2	6,309,917	0	0	0	0	XXX	XXX	6,309,917	9.3	6,309,917	0
11.3 Class 3	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Class 4	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.5 Class 5	0	0	0	0	0	XXX	XXX	(c) 0	0.0	0	0
11.6 Class 6	0	0	0	0	0	XXX	XXX	(c) 0	0.0	0	0
11.7 Totals	66,979,112	1,143,724	0	0	0	XXX	XXX	(b) 68,122,836	100.0	68,122,835	1
11.8 Line 11.7 as a % of Col. 8	98.3	1.7	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1	131,831,545	1,180,040				133,011,585	100.0	61,812,918	90.7	133,011,585	XXX
12.2 Class 2						0	0.0	6,309,917	9.3	0	XXX
12.3 Class 3						0	0.0	0	0.0	0	XXX
12.4 Class 4						0	0.0	0	0.0	0	XXX
12.5 Class 5						0	0.0	0	0.0	0	XXX
12.6 Class 6						0	0.0	0	0.0	0	XXX
12.7 Totals	131,831,545	1,180,040	0	0	0	133,011,585	100.0	68,122,835	100.0	133,011,585	XXX
12.8 Line 12.7 as a % of Col. 6	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1	0	0	0	0	0	0	0.0	1	0.0	XXX	0
13.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0	1	0.0	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ current year, \$ prior year of bonds with Z designations and \$, current year \$ prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ current year, \$ prior year of bonds with 5* designations and \$, current year \$ prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Issuer Obligations	131,831,545	1,180,040				133,011,585	100.0	21,672,812	31.8	133,011,585	0
1.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	19,034,648	27.9		0
1.7 Totals	131,831,545	1,180,040	0	0	0	133,011,585	100.0	40,707,460	59.8	133,011,585	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Issuer Obligations						0	0.0	0	0.0		0
2.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined						0	0.0	0	0.0		0
2.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5 Defined						0	0.0	0	0.0		0
2.6 Other						0	0.0	0	0.0		0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)											
3.1 Issuer Obligations						0	0.0	0	0.0		0
3.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined						0	0.0	0	0.0		0
3.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5 Defined						0	0.0	0	0.0		0
3.6 Other						0	0.0	0	0.0		0
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Issuer Obligations						0	0.0	0	0.0		0
4.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined						0	0.0	0	0.0		0
4.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5 Defined						0	0.0	0	0.0		0
4.6 Other						0	0.0	0	0.0		0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Issuer Obligations						0	0.0	0	0.0		0
5.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined						0	0.0	0	0.0		0
5.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5 Defined						0	0.0	0	0.0		0
5.6 Other						0	0.0	0	0.0		0
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated) Schedules D & DA (Group 6)											
6.1 Issuer Obligations						0	0.0	4,268,965	6.3		0
6.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined						0	0.0	0	0.0		0
6.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
6.5 Defined						0	0.0	0	0.0		0
6.6 Other						0	0.0	0	0.0		0
6.7 Totals	0	0	0	0	0	0	0.0	4,268,965	6.3	0	0
7. Industrial and Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations						0	0.0	21,485,167	31.5		0
7.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	1,661,244	2.4		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined						0	0.0	0	0.0		0
7.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
7.5 Defined						0	0.0	0	0.0		0
7.6 Other						0	0.0	0	0.0		0
7.7 Totals	0	0	0	0	0	0	0.0	23,146,411	34.0	0	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations						0	0.0	0	0.0		0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations						0	0.0	0	0.0		0
9.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	0	0.0		0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined						0	0.0	0	0.0		0
9.4 Other						0	0.0	0	0.0		0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES:											
9.5 Defined						0	0.0	0	0.0		0
9.6 Other						0	0.0	0	0.0		0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	131,831,545	1,180,040	0	0	0	133,011,585	100.0	XXX	XXX	133,011,585	0
10.2 Single Class Mortgage-Backed /Asset Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
10.5 Defined	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.7 Totals	131,831,545	1,180,040	0	0	0	133,011,585	100.0	XXX	XXX	133,011,585	0
10.8 Line 10.7 as a % of Col. 6	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	46,283,221	1,143,723	0	0	0	XXX	XXX	47,426,944	69.6	47,426,944	0
11.2 Single Class Mortgage-Backed /Asset Backed Securities	20,695,892	0	0	0	0	XXX	XXX	20,695,892	30.4	20,695,892	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
11.5 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.6 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.7 Totals	66,979,113	1,143,723	0	0	0	XXX	XXX	68,122,836	100.0	68,122,836	0
11.8 Line 11.7 as a % of Col. 8	98.3	1.7	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	131,831,545	1,180,040				133,011,585	100.0	47,426,944	69.6	133,011,585	XXX
12.2 Single Class Mortgage-Backed /Asset Backed Securities						0	0.0	20,695,892	30.4	0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined						0	0.0	0	0.0	0	XXX
12.4 Other						0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
12.5 Defined						0	0.0	0	0.0	0	XXX
12.6 Other						0	0.0	0	0.0	0	XXX
12.7 Totals	131,831,545	1,180,040	0	0	0	133,011,585	100.0	68,122,836	100.0	133,011,585	XXX
12.8 Line 12.7 as a % of Col. 6	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	99.1	0.9	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.2 Single Class Mortgage-Backed /Asset Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.4 Other	0	0	0	0	0	0	0.0	0	0.0	XXX	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
13.5 Defined	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.6 Other	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE
SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	55,552,511	55,552,511	0	0	0
2. Cost of short-term investments acquired	541,924,431	541,924,431			
3. Increase (decrease) by adjustment	(8,676,992)	(8,676,992)			
4. Increase (decrease) by foreign exchange adjustment	0				
5. Total profit (loss) on disposal of short-term investments	0				
6. Consideration received on disposal of short-term investments	456,968,404	456,968,404			
7. Book/adjusted carrying value, current year	131,831,546	131,831,546	0	0	0
8. Total valuation allowance	0				
9. Subtotal (Lines 7 plus 8)	131,831,546	131,831,546	0	0	0
10. Total nonadmitted amounts	0	0			
11. Statement value (Lines 9 minus 10)	131,831,546	131,831,546	0	0	0
12. Income collected during year	3,343,490	3,343,490			
13. Income earned during year	3,326,494	3,326,494			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S - Part 1 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE MCARE

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type	7 Premiums	8 Unearned Premiums (Estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	10 Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
90611	41-1366075	06/01/1991	ALLIANZ LIFE INS CO OF NORTH AMER	P.O. Box 1344, 5701 Golden Hills Dr., Minneapolis, MN 55416	SSL/L/G	417,544						
0299999. Authorized General Account, Non-Affiliates						417,544	0	0	0	0	0	0
0399999. Total Authorized General Account						417,544	0	0	0	0	0	0
0699999. Total Unauthorized General Account						0	0	0	0	0	0	0
0799999. Total Authorized and Unauthorized General Account						417,544	0	0	0	0	0	0
1099999. Total Authorized Separate Accounts						0	0	0	0	0	0	0
1399999. Total Unauthorized Separate Accounts						0	0	0	0	0	0	0
1499999. Total Authorized and Unauthorized Separate Accounts						0	0	0	0	0	0	0
1599999 - Totals						417,544	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Reserve Credit Taken	6 Paid and Unpaid Losses Recoverable (Debit)	7 Other Debits	8 Total Cols. (5 + 6 + 7)	9 Letters of Credit	10 Trust Agreements	11 Funds Deposited by and Withheld from Reinsurers	12 Other	13 Miscellaneous Balances (Credit)	14 Sum of Cols. 9+10+11+12+13 but not in Excess of Col. 8
NONE													
1199999 - Totals													

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE S - PART 5

Five Year Exhibit of Reinsurance Ceded Business (000 omitted)

	1 2006	2 2005	3 2004	4 2003	5 2002
A. OPERATIONS ITEMS					
1. Premiums	418	454	580	0	0
2. Title XVIII - Medicare	0	0	0	0	0
3. Title XIX - Medicaid	0	0	0	0	0
4. Commissions and reinsurance expense allowance					
5. Total hospital and medical expenses					
B. BALANCE SHEET ITEMS					
6. Premiums receivable					
7. Claims payable	0	0	0	0	0
8. Reinsurance recoverable on paid losses	66	0	0	0	0
9. Experience rating refunds due or unpaid					
10. Commissions and reinsurance expense allowances unpaid					
11. Unauthorized reinsurance offset					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
12. Funds deposited by and withheld from (F)	0	0	0	0	0
13. Letters of credit (L)	0	0	0	0	0
14. Trust agreements (T)	0	0	0	0	0
15. Other (O)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10)	131,504,806	23,960	131,528,766
2. Accident and health premiums due and unpaid (Line 13)	1,726,421		1,726,421
3. Amounts recoverable from reinsurers (Line 14.1)	65,993	(65,993)	0
4. Net credit for ceded reinsurance	XXX	42,033	42,033
5. All other admitted assets (Balance)	2,334,850		2,334,850
6. Total assets (Line 26)	135,632,070	0	135,632,070
LIABILITIES, CAPITAL AND SURPLUS (PAGE 3)			
7. Claims unpaid (Line 1)	33,799,651		33,799,651
8. Accrued medical incentive pool and bonus payments (Line 2)	15,564,269		15,564,269
9. Premiums received in advance (Line 8)	7,354,847		7,354,847
10. Reinsurance in unauthorized companies (Line 18)	0		0
11. All other liabilities (Balance)	1,443,973		1,443,973
12. Total liabilities (Line 22)	58,162,740	0	58,162,740
13. Total capital and surplus (Line 31)	77,469,330	XXX	77,469,330
14. Total liabilities, capital and surplus (Line 32)	135,632,070	0	135,632,070
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid	0		
16. Accrued medical incentive pool	0		
17. Premiums received in advance	0		
18. Reinsurance recoverable on paid losses	65,993		
19. Other ceded reinsurance recoverables	(23,960)		
20. Total ceded reinsurance recoverables	42,033		
21. Premiums receivable	0		
22. Unauthorized reinsurance	0		
23. Other ceded reinsurance payables/offsets	0		
24. Total ceded reinsurance payables/offsets	0		
25. Total net credit for ceded reinsurance	42,033		

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE
SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	Direct Business Only					Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama AL						
2. Alaska AK						
3. Arizona AZ						
4. Arkansas AR						
5. California CA						
6. Colorado CO						
7. Connecticut CT						
8. Delaware DE						
9. District of Columbia DC						
10. Florida FL						
11. Georgia GA						
12. Hawaii HI						
13. Idaho ID						
14. Illinois IL						
15. Indiana IN						
16. Iowa IA						
17. Kansas KS						
18. Kentucky KY						
19. Louisiana LA						
20. Maine ME						
21. Maryland MD						
22. Massachusetts MA						
23. Michigan MI						
24. Minnesota MN						
25. Mississippi MS						
26. Missouri MO						
27. Montana MT						
28. Nebraska NE						
29. Nevada NV						
30. New Hampshire NH						
31. New Jersey NJ						
32. New Mexico NM						
33. New York NY						
34. North Carolina NC						
35. North Dakota ND						
36. Ohio OH						
37. Oklahoma OK						
38. Oregon OR						
39. Pennsylvania PA						
40. Rhode Island RI						
41. South Carolina SC						
42. South Dakota SD						
43. Tennessee TN						
44. Texas TX						
45. Utah UT						
46. Vermont VT						
47. Virginia VA						
48. Washington WA						
49. West Virginia WV						
50. Wisconsin WI						
51. Wyoming WY						
52. American Samoa AS						
53. Guam GU						
54. Puerto Rico PR						
55. U.S. Virgin Islands VI						
56. Northern Mariana Islands MP						
57. Canada CN						
58. Aggregate Other Alien OT						
59. Total						

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE M-CARE

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
54291	38-2069753	Blue Cross Blue Shield of Michigan	14,300,000	(30,771,000)			561,178,911	0		0	544,707,911	0
95610	38-2359234	Blue Care Network of Michigan	0	(341,076)			(528,610,244)	(2,110,143)		0	(531,061,463)	7,857,452
52037	38-2536979	Blue Care of Michigan, Inc.	0	0			(4,333,272)	(1,000)		0	(4,334,272)	0
10166	38-3207001	Accident Fund Insurance Company of America										
			(12,000,000)	0			(8,486,771)	0	*	0	(20,486,771)	21,552,000
12304	20-3058200	Accident Fund General Insurance Company	0	0			(2,214,921)	0	*	0	(2,214,921)	(29,886,000)
12305	20-3058291	Accident Fund National Insurance Company	0	0			(4,529,343)	0	*	0	(4,529,343)	(37,363,000)
29157	39-0941450	United Wisconsin Insurance Company	0	0			(7,196,999)	0	*	0	(7,196,999)	45,697,000
	38-6561861	Blue Care Network Medical Malpractice Self-Insurance Trust	0	0			0	0		0	0	0
	38-6561862	Blue Care Network Stop-Loss and Casualty Self-Insurance Trust	0	0			0	2,111,143		0	2,111,143	(7,857,452)
	38-3134881	BCN Service Company	0	341,076			(51,518)	0		0	289,558	0
	38-2612298	DenteMax	(2,300,000)	0			(1,865,975)	0		0	(4,165,975)	0
95449	38-2649504	M-CARE	0	0			0	0		0	0	0
11557	38-0026448	M-CAID	0	0			0	0		0	0	0
11946	20-0547500	Michigan Health Insurance Company	0	0			0	0		0	0	0
	38-2338506	Blue Cross Blue Shield of Michigan Foundation	0	0			(795,601)	0		0	(795,601)	0
12606	76-0800811	LifeSecure Insurance Company	0	30,771,000			(3,094,267)	0		0	27,676,733	0
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

Accident Fund Ins. Co. of America 80% United Wisconsin Ins. Co. 10% Accident Fund National Ins. Co. 6% Accident Fund General Ins. Co. 4%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
MARCH FILING	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2. Will an actuarial opinion be filed by March 1?	YES
3. Will the Risk-based Capital Report be filed with the NAIC by March 1?.....	YES
4. Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1?.....	YES
APRIL FILING	
5. Will Management's Discussion and Analysis be filed by April 1?	YES
6. Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES

JUNE FILING	
8. Will an audited financial report be filed by June 1?	YES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING	
9. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
10. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
11. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?.....	NO
12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?.....	NO
13. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?.....	NO

APRIL FILING	
14. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?	NO
15. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
16. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO

- Explanations:
- 9.
 - 10.
 - 11.
 - 12.
 - 13.
 - 14.
 - 15.
 - 16.

Bar Codes:

9.	
	9 5 4 4 9 2 0 0 6 3 6 0 0 0 0 0 0
	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]
10.	
	9 5 4 4 9 2 0 0 6 2 0 5 0 0 0 0 0
	Life Supplement [Document Identifier 205]
11.	
	9 5 4 4 9 2 0 0 6 2 0 7 0 0 0 0 0
	Property/Casualty Supplement [Document Identifier 207]
12.	
	9 5 4 4 9 2 0 0 6 4 2 0 0 0 0 0 0
	SIS Stockholder Information Supplement [Document Identifier 420]
13.	
	9 5 4 4 9 2 0 0 6 3 6 5 0 0 0 0 0
	Medicare Part D Coverage Supplement [Document Identifier 365]
14.	
	9 5 4 4 9 2 0 0 6 3 3 0 0 0 0 0 0
	Long-Term Care Experience Reporting Forms [Document Identifier 330]
15.	
	9 5 4 4 9 2 0 0 6 2 1 1 0 0 0 0 0
	Life Supplement [Document Identifier 211]
16.	
	9 5 4 4 9 2 0 0 6 2 1 3 0 0 0 0 0
	Property/Casualty Supplement Insurance Expense Exhibit [Document Identifier 213]